



United States
Department of
Agriculture

Rural
Development

800 W. Evergreen, Suite 201
Palmer, AK 99645-6539
Phone: (907) 761-7705
Fax: (907) 761-7783/4
TTY: (907) 761-7787

Office of the State Director

May 3, 2002

Mr. Dan Fauske
CEO, Executive Director
Alaska Housing Finance Corporation
PO Box 101020
Anchorage, AK 99510

Dear Dan:

If you will recall when I asked you to Chair the MOU Committee on Housing and Infrastructure, I said something to the effect that, "Dan, I promise that once your committee completes its work, this committee will no longer have a need to exist and it will sunset...It will not be a standing committee".....Dan, I lied!!!

The current charge of your committee is the following:

- 1) Developing procedures to insure that we have proper planning and coordination of new housing and infrastructure in rural Alaska;
- 2) Identifying sources of funding for each component, i.e. housing/ infrastructure and address eligibility(s) and other conditions/ terms to funding approval;
- 3) Identify the roles of partners required for housing and infrastructure development at a community, state and federal level;
- 4) How do we address connectivity between housing and the community selection process for infrastructure by Village Safe Water for example? Who has the lead for new housing or infrastructure?
- 5) How do we ensure sustainability and that the development supports the community's comprehensive plan?

In addition to the above, we need to look at what formula can be used to ensure that existing housing is funded to avoid structural and equipment deterioration. Should the formula be a percentage of funds appropriated for new housing units? The same question exists for "aging" infrastructure and sanitation. We can not make gains on affordable housing and sanitation in the state unless we have a plan to meet maintenance and operations expense for housing and infrastructure.

At the end of the day do we realize a net gain in our housing inventory in rural Alaska or are the inventory numbers being reduced because of deterioration thus providing us with a zero net gain or even a loss?

May 3, 2002
Dan Fauske

Dan, these are difficult issues that must be addressed and the expertise that you have assembled can provide the answers.

Your anticipated assistance is much appreciated.

Personal regards.

Very truly yours,

B. B. ALLEN
State Director

cc: Tony Vaska, Alaska Association of Housing Authorities
Mike Harper, Alaska Energy Authority
Steve Weaver, Alaska Native Health Consortium
Jeff Staser, Denali Commission
Robert Beans, Governor's Council on Rural Sanitation
Colleen Bickford, HUD
Donna Hartley, HUD
Bruce Kovarik, National American Indian Housing Council
Marcia Combs, Environmental Protection Agency
Tom Coolidge, Indian Health Service
Frank Muncy, Rural Development
Dan Easton, Village Safe Water
Meera Kohler, AVEC
Elizabeth LeBlanc, Rural Alaska Sanitation Coalition
Mike Black, RUBA